

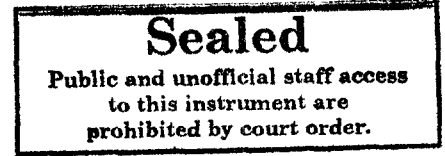
**UNSEALED
PER ARREST**

12/2/14

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION



UNITED STATES OF AMERICA

V.

WASSIM HASSAN ELSALEH,
aka Sam Saleh
Defendant (2)

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§
§

Criminal No. 14-088- S1

**United States Courts
Southern District of Texas
FILED**

NOV 19 2014

SUPERSEDING INDICTMENT

THE GRAND JURY CHARGES THAT:

David J. Bradley, Clerk of Court

At all times material herein:

COUNT ONE

**CONSPIRACY TO TRANSPORT STOLEN MERCHANDISE IN INTERSTATE
COMMERCE, 18 U.S.C. SECTIONS 371**

The Grand Jury for the Southern District of Texas charges that:

A. INTRODUCTION

1. A. "booster" is a person who steals goods and merchandise, specifically, but not limited to over-the-counter medication (OTC) and infant formulas from retail stores. OTC is medicine that does not require a prescription and includes, but not limited to, non-prescription personal hygiene products that can be readily sold in a secondary market. OTC also includes but is not limited, to Prilosec, Zantac, Claritin, and Mucinex. A "booster" re-sells the stolen merchandise to a "fence" at a fraction of the retail value.

2. A "fence" is a person who receives stolen goods and merchandise from "boosters" and others in order to re-sell it for profit. The "fence" re-sells the stolen goods

and merchandise to third parties. A “fence” is not an authorized retailer to sell OTC and infant formula.

3. **WASSIM HASSAN ELSALEH** (hereafter **ELSALEH**) is the owner and Registered Agent of Payless Wholesale and Discount Wholesale, L.L.C., (hereafter Payless Wholesale) registered in Houston, Texas, and whose warehouse is located at 3612 Mangum#106 in Houston, Texas. Payless Wholesale was registered with the Texas Secretary of State in July of 2012.

4. **ELSALEH** is the owner and Registered Agent of Titanium Trading, L.L.C., registered address in Houston, Texas, and whose warehouse is located 2121 Brittmoore Road #1800 in Houston, Texas. Titanium Trading was registered with the Texas Secretary of State on December of 2013.

5. **ELSALEH** is a “fence” in the Houston area that receives stolen merchandise from the “boosters” and sells to various businesses.

6. M&Z Candy is a business located in Bayonne, New Jersey which did business with Payless Wholesale and Discount Wholesale L.L.C. did business with.

7. Company A is a business located in Staten Island, New York which did business with Titanium Trading L.L.C.

8. UPS Ground Freight, Inc. (hereafter UPS), R+L Carriers (hereafter R+L) and Old Dominion are interstate shipping companies that **ELSALEH** and co-conspirators would use throughout the course of the conspiracy to ship the stolen merchandise to the wholesalers.

B. The CONSPIRACY AND ITS OBJECTS

Beginning on or about April 10, 2012, through May 31, 2014, in the Houston Division of the Southern District and elsewhere, the defendant,

WASSIM HASSAN ELSALEH,
aka Sam Saleh,

did knowingly, combine, conspire, confederate and agree, with others known and unknown to the Grand Jury to commit the following offense against the United States, that is to transport and cause to be transported in interstate commerce stolen goods, wares, and merchandise having a value of \$ 5,000 or more knowing that the goods, wares, and merchandise have been stolen, in violation of Title 18, United States Code, 2314.

C. MANNER AND MEANS

9. It was part of the plan and purpose of the conspiracy that booster crews would steal the OTC and infant formulas from pharmacies and retail stores.

10. It was further part of the plan and purpose of the conspiracy that one or more of the conspirators would buy stolen merchandise from several traveling booster crews that usually consisted of undocumented aliens, from Mexico, Central and South America.

11. It was further part of the plan and purpose of the conspiracy that one or more of the conspirators would knowingly buy OTC and infant formulas so that they could in turn profit from their sale of stolen merchandise.

12. It was further part of the plan and purpose of the conspiracy that one or more of the conspirators would pay the boosters in cash in order to aid in concealing the nature of this criminal enterprise.

13. It was a further part of the plan and purpose of the conspiracy that once the OTC and stolen infant formula was received by **ELSALEH** and others, the co-conspirators would remove the retailers' security labels markings and stickers to disguise the true origin of the infant formulas so it would be easier to sell and more profitable for the business.

14. It was further part of the plan and purpose of the conspiracy that **ELSALEH** would use 3612 Mangum #106 and 2121 Brittmoore Road #1800, both in Houston, as the warehouses for storing, repackaging and shipping the stolen goods received from the boosters.

15. It was further part of the plan and purpose of the conspiracy that when exposed by law enforcement, **ELSALEH** and co-conspirators would shut down the current working warehouse, and re-open the warehouse at another location.

16. It was a further part of the plan and purpose of the conspiracy that once the stolen merchandise was received at the above-mentioned warehouses, **ELSALEH** and others would direct employees to sort, repackage and ship stolen infant formulas out-of-state wholesalers via UPS Ground Freight, R+L Carriers, Old Dominion and other interstate carriers.

17. It was further part of the plan and purpose of the conspiracy that **ELSALEH** would sell the stolen infant formulas to co-conspirators and direct the payment to be made via wire transfer to bank accounts.

D. OVERT ACTS

In furtherance of the conspiracy described herein, **ELSALEH** along with one or more of the co-conspirators committed one or more of the following acts in the Southern District of Texas and elsewhere:

18. On or about April 10, 2012, **EL SALEH** using R+L Carriers shipped approximately 2 pallets of stolen infant formula, weighing approximately 2,700lbs. to M&Z Candy in New Jersey.
19. On or about May 22, 2012, **EL SALEH** using R+L Carriers shipped approximately 4 pallets of stolen infant formula, weighing approximately 4,400lbs. to M&Z Candy in New Jersey.
20. On or about June 24, 2012, **EL SALEH** using R+L Carriers shipped approximately 2 skids of stolen infant formula, weighing approximately 3,000lbs. to M&Z Candy in New Jersey
21. On or about September 20, 2012, **EL SALEH** using R+L Carriers shipped approximately 3 skids of stolen infant formula, weighing approximately 3,300lbs. to M&Z Candy in New Jersey.
22. On or about December 5, 2012, **EL SALEH** using UPS shipped approximately 4 pallets of stolen infant formula, weighing approximately 4,000lbs. to M&Z Candy in New Jersey.
23. On or about February 6, 2013, **EL SALEH** using UPS shipped approximately 5 pallets of stolen infant formula, weighing approximately 6,300lbs. to M&Z Candy in New Jersey.
24. On or about February 14, 2013 Payless Wholesale shut down operations, and

Titanium Trading later opened in December of 2013.

25. On or about January 8, 2014, **EL SALEH** using Old Dominion carriers shipped approximately 3 pallets of stolen infant formula, weighing approximately 1,650lbs. to Company A in New York.

26. On or about March 3, 2014, **EL SALEH** using Old Dominion carriers shipped approximately 2 pallets of stolen infant formula, weighing approximately 800lbs. to Company A in New York.

27. On or about March 11, 2014, **EL SALEH** using Old Dominion carriers shipped approximately 3 pallets of stolen infant formula, weighing approximately 1,800lbs. to Company A in New York.

28. On or about March 12, 2014, **ELSALEH** received payment in the amount of \$10,000 for the stolen infant formulas from Company A via wire transfer.

29. On or about March 14, 2014, **ELSALEH** received payment in the amount of \$11,176.50 for the stolen infant formulas from Company A via wire transfer.

30. On or about March 18, 2014, **ELSALEH** received payment in the amount of \$27,268 for the stolen infant formulas from Company A via wire transfer.

31. On or about March 26, 2014, **EL SALEH** using Old Dominion carriers shipped approximately 2 pallets of stolen infant formula, weighing approximately 1,500lbs. to Company A in New York.

32. On or about April 4, 2014, **ELSALEH** received payment in the amount of \$11,516.50 for the stolen infant formulas from Company A via wire transfer.

33. On or about April 7, 2014, **ELSALEH** received payment in the amount of \$10,000 for the stolen infant formulas from Company A via wire transfer.

34. On or about April 9, 2014, **EL SALEH** using Old Dominion carriers shipped approximately 3 pallets of stolen infant formula, weighing approximately 3,000lbs. to Company A in New York.
35. On or about April 11, 2014, **ELSALEH** received payment in the amount of \$10,000 for the stolen infant formulas from Company A via wire transfer.
32. On or about April 15, 2014, **ELSALEH** received payment in the amount of \$21,638.50 for the stolen infant formulas from Company A via wire transfer.
36. On or about April 17, 2014, **EL SALEH** using Old Dominion carriers shipped approximately 2 pallets of stolen infant formula, weighing approximately 1,000lbs. to Company A in New York.
37. On or about April 24, 2014, **ELSALEH** received payment in the amount of \$20,000 for the stolen infant formulas from Company A via wire transfer.
38. On or about May 1, 2014, **ELSALEH** received payment in the amount of \$7,358 for the stolen infant formulas from Company A via wire transfer.
39. On or about May 2, 2014, **ELSALEH**, at Titanium Trading's warehouse located on 2121 Brittmoore, loaded two pallets of boxes of infant formula onto an Old Dominion Freight Truck that was headed to Company A in Staten Island, New York.
40. On or about May 6, 2014, **ELSALEH** received payment in the amount of \$10,000 for the stolen infant formulas from Company A via wire transfer.
41. On or about May 8, 2014, **EL SALEH** using Old Dominion carriers shipped approximately 2 pallets of stolen infant formula, weighing approximately 1,000lbs. to Company A in New York.

42. On or about May 8, 2014, **ELSALEH** received payment in the amount of \$11,980 for the stolen infant formulas from Company A via wire transfer.
43. On or about June 6, 2014, **ELSALEH** possessed over \$79,256.00 worth of stolen OTC goods and stolen infant formula at his warehouse located at 2121 Brittmoore in Houston, Texas.
44. On or about June 6, 2014, **ELSALEH** possessed approximately \$19,411.00 worth of stolen OTC medications and stolen infant formulas which had security labels from Walmart, Walgreens, CVS, HEB and Kroger's at his warehouse located at 2121 Brittmore in Houston, TX.

COUNTS TWO - SIX
INSTERSTATE TRANSPORTATION OF STOLEN GOODS
18 U.S.C. Sections 2314 and 2

On or about the dates set forth below, in the Southern District of Texas, and elsewhere, the defendant,

WASSIM HASSAN ELSALEH,
aka Sam Saleh

aiding and abetting with others, and did cause goods, ware, merchandise, and money with a value of \$5,000 or more to be transported, transmitted, and transferred in interstate commerce, knowing the same to have been stolen, converted, and taken by fraud at the time they crossed state line and intending to deprive the owner of the use of the property as described in counts below:

COUNTS	Shipment Date	Description of Interstate Shipment
2	April 10, 2012	Shipment of stolen infant formulas worth \$5,000 or more from Houston, Texas to New Jersey via interstate carrier, R+L.
3	December 5, 2012	Shipment of stolen infant formulas worth \$5,000 or more from Houston, Texas to New Jersey via interstate carrier, UPS.

4	March 3, 2014	Shipment of stolen infant formulas worth \$5,000 or more from Houston, Texas to New York via interstate carrier, Old Dominion.
5	April 9, 2014	Shipment of stolen infant formulas worth \$5,000 or more from Houston, Texas to New York via interstate carrier, Old Dominion.
6	May 2, 2014	Shipment of stolen infant formulas worth \$5,000 or more from Houston, Texas to New York via interstate carrier, Old Dominion.

All in violation of Title 18 U.S.C., Section 2314 and 2.

FOREFITURE

A. Pursuant to 28 U.S.C. § 2461(c), and 18 U.S.C. § 981(a)(1)(C), the United States give notice that upon conviction of Counts One thru Six, or any combination of convictions, the defendant,

WASSIM HASSAN ELSALEH,
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shall jointly and severally forfeit all property which constitutes or is derived from proceeds traceable to a Conspiracy to violate 18 U.S.C. §2314 as charged in Count One, Interstate Transportation of Stolen Property in Violation of 18 U.S.C. § 2314, as charged in Counts Two thru Six, or any combination of counts.

SUBSTITUTE ASSETS

B. If any of the property described above, as result of any act or omission of any defendant;


- a. cannot be located upon the exercise of due diligence;
- b. had been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. Has been substantially diminished in value; or

- e. Has been commingled with other property that cannot be divided without difficulty;

The United States of America shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. § 853 (p), as incorporated by 28 U.S.C. § 2461(c).

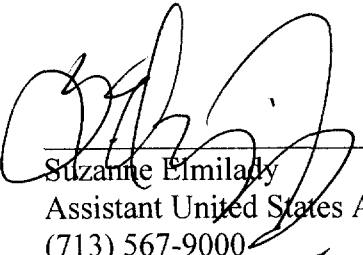
A TRUE BILL:

ORIGINAL SIGNATURE ON FILE

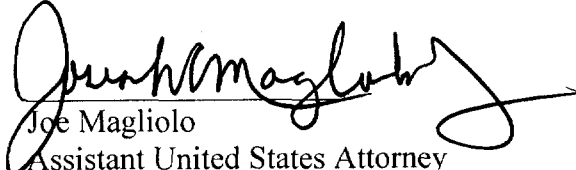
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